



MINUTES OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

For the meeting held on
Tuesday, May 25, 2010 -1:00 p.m.
980 9th Street, Conference Center, 2nd Floor
Sacramento, California 95814

Chairwoman Marjorie Berte called the meeting of the California Infrastructure and Economic Development Bank (I-Bank) Board to order at approximately 1:00 p.m.

1. Call To Order and Roll Call.

The following Board members were in attendance:

Marjorie Berte represented the Secretary of Business, Transportation and Housing Agency.

Cynthia Bryant represented the Director of the Department of Finance.

Francisco Lujano represented the State Treasurer.

Bill Leonard, Secretary of the State and Consumer Services Agency.

D. Everett Rice, Governor's appointee.

The following I-Bank staff members were in attendance:

Stan Hazelroth, Roma Cristia-Plant, Molly Arnold and Diane Cummings.

2. Executive Director's Report.

Executive Director Stan Hazelroth reported that on May 13, 2010, he testified before the U.S. House of Representatives Ways and Means Subcommittee on Select Revenue Measures about the California Infrastructure and Economic Development Bank as a model for the National Infrastructure Bank.

Consent Items:

3. Approve minutes from the meeting held on April 27, 2010.

Chairwoman Berte called attention to an error regarding a reference to the date of Mr. Hazelroth's Washington, D.C. presentation in the distributed minutes, and instructed the minutes to be amended to reflect that he spoke in April.

Chairwoman Berte then called for questions or comments from the Board and the public. Hearing none, she entertained a motion to approve the consent item. Mr. Leonard moved to approve the minutes and Mr. Rice seconded the motion. The minutes were unanimously approved.

Ms. Berte announced that Agenda items 4 and 5 would not be considered.

Action Items:

- 4. ~~Resolution No. 10-20 approving the sale, issuance and delivery of tax-exempt 501(c)(3) revenue bonds for the benefit of the Buck Institute for Age Research in an amount not to exceed \$30,000,000 to finance an economic development facility in the City of Novato, California, and to approve amendments to bond documents related to the substitution of a letter of credit for the \$55,600,000 California Infrastructure~~**

~~and Economic Development Bank Variable Rate Demand Revenue Bonds, Series 2001, issued for the benefit of the Buck Institute for Age Research that financed an economic development facility in the City of Novato, California.~~

- ~~5. Resolution No. 10-21 approving an Infrastructure State Revolving Fund Program financing for the Borrego Water District in an amount not to exceed \$5,400,000 to finance the Ground Water Management and Supply Project, a public development facility located in the community of Borrego Springs in the County of San Diego, California.~~
6. Resolution No. 10-22 appointing one or more firms to serve as financial advisor to the California Infrastructure and Economic Development Bank in relation to existing and future bond and loan programs and future bond issuances, and authorizing a contract with each firm for a term not to exceed 36 months, in each case in an amount not to exceed \$25,000, and further authorizing engagement letters with any appointed firm for bond transaction related services.

Ms. Cummings presented a staff report and explained the request for qualifications (RFQ), selection and evaluation process utilized by a review committee of I-Bank managers that resulted in the request of the board to approve the appointment of five financial advisory firms under three-year consulting services contracts each not to exceed \$25,000 and to enter into engagement letters with any appointed firm for bond issuance-related services. She further reported that the RFQ was issued on April 22, 2010, was sent to all 49 firms on the State Treasurer's Office approved list of financial advisors and was posted on the I-Bank's website, and that twelve firms submitted proposals. Ms. Cummings stated that staff recommends the selection of KNN Public Finance, Lamont Financial Services Corporation, Public Finance Management, Public Resources Advisory Group, and Sequoia Financial Group, LLC.

Chairwoman Berte called for questions or comments from the Board or the public. Hearing none, she entertained a motion to approve Resolution No. 10-22. Ms. Bryant moved to approve the resolution and Mr. Leonard seconded the motion. The Board unanimously approved the resolution.

5. Resolution No. 10-23 authorizing an extension of the human resources consulting services contract with Cooperative Personnel Services to extend the contract term to no later than June 30, 2011.

Ms. Cristia-Plant presented a staff report recommending an extension of the term of the human resources consulting contract between the I-Bank and Cooperative Personnel Services (CPS) to allow CPS more time to complete its analysis of the I-Bank's civil service classifications and compensation levels. Ms. Cristia-Plant discussed the background and status of the work products under the contract. Ms. Cristia-Plant added that out of the original \$94,900 contract, approximately \$31,400 remains unexpended. She indicated that both CPS and I-Bank staff have determined that the remaining contract work can be completed over the next year and within budget. She ended her report by introducing Mike Navarro, the lead contract consultant for CPS.

Chairwoman Berte called for questions or comments from the Board and the public. Hearing none, she entertained a motion to approve Resolution No. 10-23. Mr. Rice moved to approve the resolution and Mr. Lujano seconded the motion. The Board unanimously approved the resolution.

Other Non-Action Business.

Chairwoman Berte called for any other business; there was none.

Public Comment.

Chairwoman Berte called for any public comment; there was none.

Adjournment.

Chairwoman Berte declared the meeting adjourned at approximately 1:15 p.m.